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Congress of the United States House of Representatives

COMMITTEE ON THE JUDICIARY

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The Honorable Jerrold L. Nadler Chairman Committee on the Judiciary U.S. House of Representatives Washington, DC 20515

Dear Chairman Nadler:

Retail stores in major cities are suffering from an unprecedented spike in theft. The criminals carrying out these acts are emboldened by "soft on crime" policies and progressive prosecutors who refuse to enforce the law. These retail businesses are already suffering due to record inflation, a massive labor shortage, and supply chain issues. Now this surge in theft is forcing some retail stores to close permanently. Given our Committee's jurisdiction and the importance of this issue to American commerce, we urge you to convene a hearing of the Committee soon so that we may examine and begin to address the surge in retail theft in our country.

San Francisco and New York City are among the U.S. cities suffering from a surge in retail theft. In September 2020, San Francisco law enforcement seized \$8 million in goods that a group of criminals had stolen from Walgreens, CVS, and Target stores. In May 2021, Walgreens executives stated that theft at its San Francisco stores was four times the national average, forcing the company to close seventeen stores. In October 2021, Walgreens announced the closure of five additional stores, citing "organized" shoplifting as the primary reason. In Manhattan, a Rite Aid closed as staff reported that thieves had stolen over \$200,000 in goods in December 2021 and January 2022 alone. Another Rite Aid in Manhattan's Upper East Side has also seen a surge in theft and closed on February 15, 2022.

¹ Danielle Echeverria and Rachel Swan, *Bay Area retail theft bust nets 8 million in merchandise from CVS*, *Walgreens, Target*, SAN FRANCISCO CHRONICLE (Dec. 3, 2021), https://www.sfchronicle.com/crime/article/Bay-Area-retail-theft-bust-nets-8-million-in-16673449.php.

² Thomas Fuller, *San Francisco's Shoplifting Surge*, N.Y. TIMES (May 21, 2021), https://www.nytimes.com/2021/05/21/us/san-francisco-shoplifting-epidemic.html.

³ Neil Vigdor, *Walgreens to Close 5 Stores in San Francisco, Citing 'Organized' Shoplifting*, N.Y. TIMES (Oct. 13, 2021), https://www.nytimes.com/2021/10/13/us/walgreens-store-closures-san-francisco.html.

⁴ Gabrielle Fonrouge, *NYC Rite Aid plagued by string of thefts finally closes its doors*, N.Y. POST (Feb. 10, 2022), https://nypost.com/2022/02/10/nyc-rite-aid-plagued-by-string-of-thefts-closes-its-doors/. ⁵ *Id*.

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In response to this surge in shoplifting, retail stores are taking steps to ensure the safety of their staff, customers, and products. Retail stores have been forced to place common items, such as deodorant and toothpaste, behind anti-theft panels.⁶ Others have installed "smart" shopping carts equipped with wheels that will automatically lock if a thief exits the store with the cart without paying.⁷ Some stores are also using shelf sensors that detect whether a shopper has been loitering for an abnormal amount of time.⁸ These security measures in high theft-areas cost money—Walgreens, for example, noted that it spent "46 times our chain average" on security measures in its Bay Area stores.⁹

This rise in retail theft is a direct result of "soft on crime" laws and progressive district attorneys refusing to enforce the law. For example, in San Francisco, the new District Attorney announced in 2021 that he would deemphasize prosecution of drug and property crimes. ¹⁰ Since his election, burglaries have increased 52 percent, representing one of the largest increases in the country. ¹¹ Similarly, the new District Attorney in Manhattan issued a memorandum on January 3, 2022, directing his office not to prosecute armed robberies. ¹² After receiving significant backlash, the District Attorney partially reversed course on February 4, 2022, for commercial robberies committed with a firearm. ¹³ However, he explained, for "retail thefts that do not involve a risk of physical harm, the Office will continue to assess the charges based on all of the aggravating and mitigating circumstances presented." ¹⁴

This surge in retail theft is exacerbated by dangerous bail elimination measures. For example, in late 2019, the New York Legislature passed a law that eliminated money bail and pretrial detention for most misdemeanor and non-violent felonies. ¹⁵ This law has had real-world consequences. One New York City resident was arrested 46 times for shoplifting in 2021 alone. ¹⁶ He had been arrested 57 times in 2021 and had been arrested for 74 offenses dating back to 2015. ¹⁷ According to prosecutors, this criminal's repeated offenses were not "bail-eligible offenses" under New York's new law. ¹⁸ New York City's Police Commissioner bluntly

⁶ Jennifer A. Kingson, *Shoplifting reaches crisis proportions*, AXIOS (Feb. 11, 2022), https://www.axios.com/shoplifting-retail-crisis-online-resale-9031ced5-04c9-4e88-84f8-1c93e39e7afd.html. ⁷ *Id.*

⁸ *Id*.

⁹ Supra note 4.

¹⁰ Zack Smith and Charles Stimson, *Meet Chesa Boudin, the Rogue Prosecutor Wreaking Havoc in San Francisco*, THE HERITAGE FOUNDATION (Aug. 11, 2021), https://www.heritage.org/crime-and-justice/commentary/meet-chesa-boudin-the-rogue-prosecutor-wreaking-havoc-san-francisco.

¹¹ *Id.*

Nicole Gelinas, Let's break down exactly what Manhattan DA Alvin Bragg's memo says, N.Y. POST (Jan. 11, 2020), https://nypost.com/2022/01/11/lets-break-down-exactly-what-manhattan-da-alvin-braggs-memo-says/.
 Tamar Lapin, et al., Manhattan DA Alvin Bragg reverses pair of controversial policies, N.Y. POST (Feb. 4, 2022), https://nypost.com/2022/02/04/manhattan-da-alvin-bragg-reverses-pair-of-controversial-policies/.

¹⁵ Luis Ferre-Sadurni, et al., *Adams Wants Tougher Bail Laws. Can He Get Other Democrats to Agree?*, N.Y. TIMES (Feb. 8, 2022), https://www.nytimes.com/2022/02/08/nyregion/crime-plan-eric-adams.html.

¹⁶ Dean Balsamini, *This 'Man of Steal' leads NYC's record-shattering shoplifting surge with 46 arrests*, N.Y. POST (Oct. 2, 2021), https://nypost.com/2021/10/02/nyc-man-leads-record-shattering-shoplifting-surge-with-46-arrests/. ¹⁷ *Id.*

¹⁸ *Id*.

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described the consequences of the state's bail elimination law: "Insanity. No other way to describe the resulting crime that has flowed from disastrous bail reform law." ¹⁹

Retail stores are urging Congress to address this spike in shoplifting. On December 9, 2021, the Retail Industry Leaders Association (RILA), along with the CEOs of twenty large retail stores, wrote a letter to House and Senate leadership asking them to address the "growing impact of organized retail crime on retail employees and communities." According to a 2020 study by the National Retail Federation (NRF), retail theft has risen sixty percent since 2015 and now amounts to retail-store losses of \$719,548 per \$1 billion in sales. In the NRF survey, retailers "cited relaxed law enforcement guidelines, changes in shoplifting laws and decreased penalties for shoplifting among the causes for increased organized retail crime."

We ask that you schedule a hearing soon to allow Committee Members to better understand the surge in retail crime across the country, examine the disastrous policies that are directly fueling it, and work toward constructive solutions to this problem. Thank you for your prompt attention to this matter. We look forward to hearing from you.

Sincerely.

Jim Jordan

Ranking Member

¹⁹ Commissioner Sewell (@NYPDC), Twitter, (Oct. 2, 2021, 3:23 PM), https://twitter.com/NYPDPC/status/1444382578409148424.

Parija Kavilanz, CEOs of Target, Best Buy, CVS and other retail chains ask Congress for help amid crime surge,
 CNN (Dec. 9, 2012), https://www.cnn.com/2021/12/09/business/retail-ceos-letter-to-congress-crime/index.html.
 Press Release, Retailers report rising cases and increased losses from organized thefts, National Retail Federation (Dec. 15, 2020), https://nrf.com/media-center/press-releases/retailers-report-rising-cases-and-increased-losses-organized-thefts.
 Id.